

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

March 9, 2007

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

06od-105  
07od-029  
Oahu

Amend Prior Board Action of July 14, 2006, under Agenda Item D-5, for Sale of Remnant to Abutting Owner, Waikiki, Honolulu, Oahu; current TMK is (1) 2-6-27:52.

REMARKS:

On July 10, 1970, under agenda item F-5, and July 14, 2006, under agenda item D-5, the Board authorized and amended, among other things, the sale of a road remnant to the abutting landowner, currently ASN Asset Management Co. Ltd. (ASN) (see Exhibit A).

During the DAGS Survey map revision, an undocumented existing drainage line owned by the City and County of Honolulu (City) was discovered within the remnant.

ASN has paid for the sale of the road remnant at its appraised price of \$50,000, and the deed is being processed. It was determined by the staff appraiser that the appraisal amount as determined by independent appraisal should not be affected by this underground drainage easement and ASN has also agreed that the consideration amount shall remain at \$50,000.

Following consultation with a representative with the City and ASN, the City agreed to accept a perpetual non-exclusive easement from the State for the underground drainage line. The resulting revised DAGS Survey map would encumber the subject remnant with the non-exclusive easement for drainage purposes. The after-the-fact grant of perpetual, non-exclusive easement to the City and County of Honolulu for drainage purposes will be the subject of a separate Board submittal, also dated March 9, 2007.

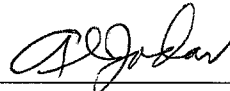
Staff recommends the recognition of an unrecorded perpetual non-exclusive easement for drainage purposes to the City and County of Honolulu in the sale of the remnant deed to ASN. The description of the remnant will include the following language: "Subject, however, to a perpetual non-exclusive easement for drainage purposes in favor of the City and County of Honolulu..."

RECOMMENDATION:

That the Board amend the prior Board action of July 14, 2006, under agenda item D-5 as follows:

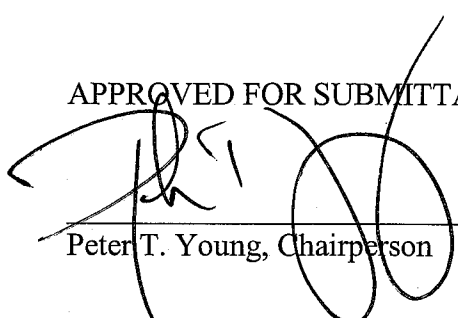
1. Approve the sale of remnant to ASN Asset Management Co. Ltd. on the terms and conditions described above, which are incorporated herein by reference;
2. That the appraisal amount of \$50,000.00 will remain the same; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Al Jodar  
Land Agent

APPROVED FOR SUBMITTAL:



Peter T. Young, Chairperson

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
Land Division  
Honolulu, Hawaii 96813

July 14, 2006

Board of Land and Natural Resources  
State of Hawaii  
Honolulu, Hawaii

06od-105

Oahu

Amend Prior Board Action of July 10, 1970, under Agenda Item F-5, for Withdrawal of Portion of Kapiolani Park (Executive Order No. 22); Reset Aside to the Department of Education; Conveyance to City and County of Honolulu and Sale of Remnant to Abutting Owner, Waikiki, Honolulu, Oahu; current TMK is 2-6-27:52.

REMARKS:

On July 10, 1970, under agenda item F-5, the Board authorized the withdrawal of a portion of Kapiolani Park (E.O. No. 22), reset aside to the Department of Education (under E.O. No. 2664 on April 18, 1973), conveyance to the City and County of Honolulu for road widening and realignment purposes (under LOD 15,346 on September 8, 1976) and the sale of the road remnant to the abutting landowner (see Exhibit A). An abandon portion of Makee Road (R-161-A & C) was quitclaimed to Ernest S. Ching as part of a land exchange with the City and County recorded under liber 6375, page 172 on December 19, 1968 that was consolidated with the applicant's parcel abutting the State remnant (see Exhibit B showing the remnant in red and the abutting owner's parcel outlined in green).

The Board submittal also identified the only abutting landowner for the sale of the State remnant as Mr. Ernest Sinfat Ching. That remnant sale never occurred. A new owner acquired the abutting property recently and wishes to purchase and consolidate the State remnant in order to develop the entire area. The new owner is ASN Asset Management Co., Ltd (ASN). (There is another adjacent City and County road remnant that ASN may also acquire.)

Representatives for ASN and their consultants met with staff to discuss the process for the sale of the State remnant. They are aware of the appraisal, legal notice publication and City and County consolidation steps. ASN has not had a lease or other disposition of State land cancelled within the past 5 years.

The Board recommendation section for the sale included a choice of a one-time payment or a payment plan however staff recommends deleting the payment plan option (see Exhibit A).

**EXHIBIT "A"**

APPROVED BY THE BOARD OF  
LAND AND NATURAL RESOURCES  
AT ITS MEETING HELD ON

July 14, 2006

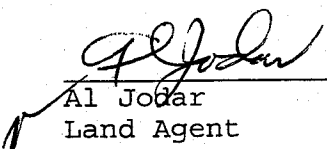
July 14, 2006

RECOMMENDATION:

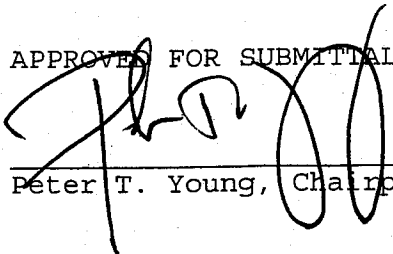
That the Board amend the prior Board action of July 10, 1970,  
under agenda item F-5 as follows:

1. Request an appraisal based on the July 14, 2006 valuation date and a one-time payment for the consideration;
2. Replace Ernest Sinfat Ching, former applicant, with ASN Asset Management Co., Ltd, new applicant; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

  
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Al Jodar  
Land Agent

APPROVED FOR SUBMITTAL:

  
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Peter T. Young, Chairperson

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
HONOLULU, HAWAII  
Division of Land Management

July 10, 1970

Board of Land and  
Natural Resources  
Honolulu, Hawaii

Gentlemen:

OAHU

Subject: Withdrawal of Portion of Kapiolani Park  
(E.O. No. 22); Reset Aside to the Depart-  
ment of Education; Conveyance to City and  
County of Honolulu and Sale of Remnant to  
Abutting Owner, Tax Map Key 2-6-29:3,  
Waikiki, Honolulu, Hawaii

At its meeting of January 10, 1969 under agenda Item F-23, the Board of Land and Natural Resources took the following actions with regard to a triangular parcel of government land adjoining the Jefferson Elementary School at Waikiki and which is set aside to the City and County of Honolulu under Executive Order No. 22 (Portion of Kapiolani Park):

- A. Approve of and recommend to the Governor of Hawaii issuance of an Executive Order withdrawing the area concerned from Executive Order No. 22 (Kapiolani Park/City and County of Honolulu).
- B. Approve of and recommend to the Governor of Hawaii issuance of an Executive Order placing the said area under the jurisdiction of the Department of Education as an addition to Jefferson Elementary School (Executive Order No. 468).
- C. Subject to concurrence from the Governor, grant the Department of Education and the Department of Accounting and General Services a right of entry for purposes of constructing a fence along Kapahulu Avenue.

The subject triangular parcel has a total land area of 33,102 square feet and is identified as being Parcel 3 of Tax Map Key 2-6-29.

On the application of Mr. Ernest Sinfat Ching to purchase a "remnant" piece of the subject triangular parcel, staff members inspected the site and found that the area, although shown on the tax map as being one (1) parcel, is actually divided into sections and being utilized as shown below:

Approved by the Board  
at its meeting held on

ITEM F-5

7/10/70

July 10, 1970

Section 1-A (652 sq. ft. as shown and described on map labeled Land Board Exhibit "A") is a part of a traffic isle bordered by Kapahulu Avenue, Kuhio Avenue and Makee Road.

Section 1-B (approx. 988 sq. ft.). Same as above.

Section 2 (approx. 2,612 sq. ft.) is a part of Kuhio Avenue extending from Makee Road to Kapahulu Avenue.

Section 3 (approx. 28,850 sq. ft., partially shown on Land Board Exhibit "A"). This section adjoins Jefferson Elementary School and is fenced-in as part of the school ground (approved by the Board, F-23, January 10, 1969).

The sections listed above are shown on the City and County of Honolulu Department of Public Works Division of Survey and Acquisition map entitled "Proposed Land Exchange at Kuhio Avenue and Makee Road, Waikiki, Honolulu, Oahu, Hawaii" and labeled Land Board Exhibit "A".

The areas listed for each of the sections are approximate and subject to determination by the Survey Division, Department of Accounting and General Services.

In anticipation of the widening of Kuhio Avenue, the City and County of Honolulu, in 1968, acquired certain lands owned by Mr. Ernest Sinfat Ching by Exchange Deed. In this exchange, the City conveyed to Mr. Ching portions of the Makee Road shown and described as Parcels R-161-A and R-161-C on Land Board Exhibit "A".

The proposed Kuhio Avenue Widening will also involve a portion (Section 1-B) of the traffic isle, leaving a 652 sq. ft. piece of land (Section 1-A) abutting the roadway area acquired by Mr. Ching.

In view of the above situation, the staff propose that actions be taken in order that the area be properly set aside and disposed in accordance with its present and proposed usages.

RECOMMENDATION:

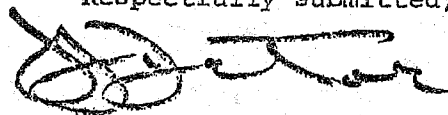
That the Board:

- A. Amend its action of January 10, 1969 under "Recommendation B" of agenda Item F-23 to place only the area designated as Section 3 on Land Board Exhibit "A", under the control and management of the Department of Education as an addition to Jefferson Elementary School (E.O. No. 468).
- B. Authorize the sale and conveyance in fee of that area designated as Section 1-B and Section 2 on Land Board Exhibit "A", to the City and County of Honolulu for roadway purposes. Consideration and terms and conditions of the conveyance to be determined and prescribed by the Chairman.

July 10, 1970

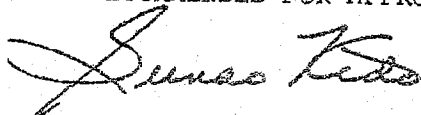
- C. Find that the area designated as Section 1-A on Land Board Exhibit "A", to be be physically unsuitable for development as a separate unit by reason of location, size and shape and by definition is a remnant.
- D. Authorize the sale of the remnant (area designated as Section 1-A on Land Board Exhibit "A") to Mr. Ernest Sinfat Ching under the following terms and conditions:
1. The land area to be confirmed by the Survey Division, Department of Accounting and General Services.
  2. The sales price to be established by independent appraisal, same subject to review and approval by the Chairman.
  3. The purchaser shall be required to pay cash or twenty-five per cent (25%) of the purchase price as down payment and the balance in twenty (20) equal quarterly payments with interest at six per cent (6%) per annum on the unpaid balance.
  4. The use of the area, whether in combination, consolidation or otherwise with other lands, shall be in accordance with the appropriate zoning and subdivision ordinances of the City and County of Honolulu.
  5. Such other terms and conditions as may be prescribed by the Chairman.

Respectfully submitted,



JAMES J. DETOR  
Program Administrator  
Division of Land Management

RECOMMENDED FOR APPROVAL:



SUNAO KIDO, Chairman